Joseph, Trevor M.

From: Joseph, Trevor M.

Sent: Tuesday, June 07, 2011 5:12 PM

To: Joseph, Trevor M.

Subject: Fw: DWR Prop 84 Implementation Grant funding

Attachments: MCWD letter to DWR_draft funding decision_signed.pdf

From: Greg Norby <<u>gnorby@mcwd.dst.ca.us</u>>

To: Joseph, Trevor M.

Cc: Holly Alpert < holly@inyomonowater.org; Mark Drew < mdrew@caltrout.org; Irene Yamashita

<isyamashita@mcwd.dst.ca.us>
Sent: Tue Jun 07 13:44:33 2011

Subject: DWR Prop 84 Implementation Grant funding

Mr. Joseph,

The Mammoth Community Water District (MCWD) is submitting the attached comment letter in response to the draft funding results recently issued for the Proposition 84 implementation grant round. MCWD is a member of the Inyo-Mono IRWM Group. We would appreciate DWR's reconsideration of the draft funding decisions for the Lahontan Region, and specifically a change to at least partially fund the Inyo-Mono Group's highest rated projects. Please contact me at the phone or email below, should you have any questions or we can be of any assistance in DWR's consideration of our public comments on the funding decisions.

Sincerely, Greg Norby

Greg Norby
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MAMMOTH COMMUNITY WATER DISTRICT

THE DISTRICT

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June 7, 2011

Trevor Joseph
Project Manager
California Department of Water Resources
Division of Integrated Regional Water Management, Financial Assistance Branch
Post Office Box 942836
Sacramento, CA 94236

Dear Mr. Joseph,

This letter is submitted on behalf of the Mammoth Community Water District, as a member of the Inyo-Mono IRWM group (Inyo-Mono Group). I want to thank the California Department of Water Resources (DWP) staff for the efforts invested in supporting a sea-change in State water resources planning, from centralized to regionally focused planning and solutions. As you know, the largely rural Inyo-Mono area faces unique challenges in building the local resource management capacity base necessary to develop and implement regional water resources management strategies. Based on the draft DWR funding decisions, these challenges are directly evident. Our inability to fund the use of costly consultants to assist in completing an extensive and complex application process, dispersed local and regional entities with sparse financial resources but critical stakes in water management, and lack of direct political lobbying to drive the funding allocations set in the original Proposition 84 legislation seem to have contributed to DWR's lopsided draft decision that a region which exports over 300,000 acrefeet of water per year to urban Southern California receives \$0, while the region receiving the exported water also receives \$25,000,000 in State grant funds to manage the exported resource. It just does not seem to pass the reasonableness test, to speak plainly, despite the outcome of DWR's complex application and ranking process.

The Inyo-Mono Group's notable success to date at building a regional forum for integrated water resources management in the Lahontan Basin, where none existed prior, is the result of a truly grass-roots effort by literally dozens of individuals who donated thousands of combined hours of time to bring together both the Inyo-Mono IWMRP, approved recently by DWR, and to complete the Prop 84 implementation grant funding applications. The implementation funding requested is vital to the continued long term success of this regional planning effort, and to achieving the goals set forth by DWR for improved water resource planning. The Mammoth Community Water District respectively requests that DWR's draft funding decision be reconsidered in light of these factors and the comments below, and that a minimum of

\$2,000,000 (less than 1% of the State-wide funding in this round) be allocated to support implementation of the projects listed in our application.

Finally, I would like to clarify several items related to the ranking of Project 5, MCWD Well Rehabilitation, and the Group's overall rankings. For background the Well Rehabilitation project would apply vertical well profiling technology to improve the quality of the local groundwater supplies, and ideally prove up this technology for wider use within the region, within which many communities are dependent on groundwater with naturally occurring contaminants such as Arsenic.

- Budgets- DWR's comment; "For Projects 1, 2, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14, the applicant did not provide task budgets reflecting the work items in the work plan." In the case of Project 5, we did not match the budget to tasks, but rather used the categories suggested in the DWR sample template, which seemed like a reasonable way to break out the costs. For Project 5, most of the costs are in "Construction / Implementation", since the well profile testing itself is most of the work, and incurs most of the cost. Therefore, there is a clear link between the work plan and the budget, which will facilitate effective financial management of the project.
- Schedules- Project 5 provided a detailed schedule with over 20 distinct steps tracking the progress of this project.
- Monitoring, Assessment, and Performance Measures- DWR's comment; "Projects 2, 3, 4, and 5 do not include quantitative measurement tool and methods." Project 5's outcome is completion of one major well profile, and the Phase 1 report. There is no need for quantitative "measurement tools and methods". The Project 5 application clearly lists these deliverables. Following implementation of actual well modifications (screen intervals etc.), the assessment of the long term improvements in water quality can begin. That work is not part of the grant funded project, as clearly explained in the work plan and project description.
- Economic Analysis- Project 5 has a direct and substantial potential economic benefit in terms of both water quality improvements and supply, as clearly documented in the application. Many of the Inyo-Mono Group's projects are not directly "monetized", since it's not clear how to "monetize" the benefits of clean, reliable drinking water to rural school children or improving municipal water use for native communities whose local water resources are now part of the 300,000 ac-ft exported to Southern California for use by some of the wealthiest communities in the state.
- Program Preferences- DWR's comments on this criteria clearly show that the Group has
 proposed a balanced and locally-based set of projects to solve our regional water resource
 challenges. It's all the more puzzling, with DWR's <u>qualitative</u> assessment of the projects,
 summarized here, that no funding was allocated. "<u>The proposal addresses long term</u>
 drought preparedness, includes projects that directly address critical water supply needs of

disadvantaged communities, and there is a significant degree of certainty that the Program Preferences claimed can be achieved..".

In conclusion, MCWD and the Inyo-Mono Group support the strategic goals of DWR's state-wide water plan and the push for regionally based water resources management and planning. However, for this region to meet those objectives, it is vital that adequate financial support be provided to help jump-start these efforts and allow this rural, economically disadvantaged region to build the local capacity that will sustain continued progress towards effective regional water management. Towards that end, we respectively request that DWR re-consider the draft funding decision of \$0, and make the modest adjustment of allocating just 1% (\$2,000,000) of this round's Prop 84 funding to the Inyo-Mono Group's projects.

Sincerely,

MAMMOTH COMMUNITY WATER DISTRICT

Gregory J. Norby General Manager

CC:

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